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DEPARTMENT OF EDUCATION

34 CFR Chapter III

[Docket ID ED-2015-OSERS-0061]

Proposed Priority and Definitions--Demonstration and Training Program: Career Pathways for Individuals with Disabilities

[CFDA Number: 84.235N.]

AGENCY: Office of Special Education and Rehabilitative Services, Department of Education.

ACTION: Proposed priority and definitions.

SUMMARY: The Assistant Secretary for Special Education and Rehabilitative Services proposes a priority and definitions under the Demonstration and Training program. The Assistant Secretary may use this priority and one or more of these definitions for competitions in fiscal year (FY) 2015 and later years. This priority and these definitions are designed to support projects that develop and implement career pathways for individuals with disabilities.

DATES: We must receive your comments on or before [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: Submit your comments through the Federal eRulemaking Portal or via postal mail, commercial delivery, or hand delivery. We will not accept comments submitted by fax or by email or those submitted after the comment period. To ensure that we do not receive duplicate copies, please submit your comments only once. In addition, please include the Docket ID at the top of your comments.

- Federal eRulemaking Portal: Go to www.regulations.gov to submit your comments electronically. Information on using Regulations.gov, including instructions for accessing agency documents, submitting comments, and viewing the docket, is available on the site under "Are you new to the site?"

- Postal Mail, Commercial Delivery, or Hand Delivery: If you mail or deliver your comments about these proposed regulations, address them to RoseAnn Ashby, U.S. Department of Education, 400 Maryland Avenue, SW., room 5055, Potomac Center Plaza (PCP), Washington, DC 20202-2800.

Privacy Note: The U.S. Department of Education's (Department's) policy is to make all comments received from

members of the public available for public viewing in their entirety on the Federal eRulemaking Portal at www.regulations.gov. Therefore, commenters should be careful to include in their comments only information that they wish to make publicly available.

FOR FURTHER INFORMATION CONTACT: RoseAnn Ashby.

Telephone: (202) 245-7258 or by email:
roseann.ashby@ed.gov.

If you use a telecommunications device for the deaf (TDD) or a text telephone (TTY), call the Federal Relay Service (FRS), toll free, at 1-800-877-8339.

SUPPLEMENTARY INFORMATION:

Invitation to Comment: We invite you to submit comments regarding this notice. To ensure that your comments have maximum effect in developing the notice of final priority and definitions, we urge you to identify clearly the specific section of the proposed priority or definition that each comment addresses.

We invite you to assist us in complying with the specific requirements of Executive Orders 12866 and 13563 and their overall requirement of reducing regulatory burden that might result from this proposed priority and these proposed definitions. Please let us know of any further

ways we could reduce potential costs or increase potential benefits while preserving the effective and efficient administration of the program.

During and after the comment period, you may inspect all public comments about this notice by accessing Regulations.gov. You may also inspect the comments in person in room 5055, 550 12th Street, SW., PCP, Washington, DC, 20202-2800, between the hours of 8:30 a.m. and 4:00 p.m., Washington, DC time, Monday through Friday of each week except Federal holidays. Please contact the person listed under FOR FURTHER INFORMATION CONTACT.

Assistance to Individuals with Disabilities in Reviewing the Rulemaking Record: On request we will provide an appropriate accommodation or auxiliary aid to an individual with a disability who needs assistance to review the comments or other documents in the public rulemaking record for this notice. If you want to schedule an appointment for this type of accommodation or auxiliary aid, please contact the person listed under FOR FURTHER INFORMATION CONTACT.

Purpose of Program: The purpose of the Demonstration and Training Program is to provide competitive grants to, or enter into contracts with, eligible entities to expand and

improve rehabilitation and other services authorized under the Rehabilitation Act of 1973, as amended (Rehabilitation Act), or to further the purposes and policies in sections 2(b) and 2(c) of the Rehabilitation Act by supporting activities that increase the provision, extent, availability, scope, and quality of rehabilitation services under the Rehabilitation Act.

Program Authority: 29 U.S.C. 773(b).

Applicable Program Regulations: 34 CFR part 373.

PROPOSED PRIORITY:

This notice contains one proposed priority.

Career Pathways for Individuals with Disabilities.

Background:

Despite largely positive trends in U.S. economic indicators, including a declining trend in the overall unemployment rate¹, employers report difficulty finding workers with the specific skills and knowledge that they need. In the recovering economy, it is critical that employers have access to highly skilled workers to meet the challenges of today's labor market. Individuals with disabilities comprise a large group of potential employees who, with the necessary skills and credentials, could help

¹ The Employment Situation, U.S. Department of Labor, Bureau of Labor Statistics, 2015.

fill this unmet need and participate fully in the economy and our society.

With nearly one in five people in the United States identified as having a disability, strategies designed to encourage the growth of the recovering economy will need to include initiatives to tap the skills and knowledge of this underutilized human resource. While recent data show that the labor force participation rate for working-age people with disabilities is beginning to increase, it is far below the rate for individuals without disabilities (31.1 percent for individuals with disabilities compared to 75.7 percent for the working-age people without disabilities)².

One strategy for assisting individuals to acquire skills relevant in today's economy is to develop and use a career pathway. By preparing workers for high-demand occupations, career pathways offer a promising approach for improving the foundation skills of young adults and low-skilled adults, including individuals with disabilities, and the Nation's overall economic prosperity. A "career pathway," as defined in section 3(7) of the Workforce Innovation and Opportunity Act (WIOA), is a combination of rigorous and high-quality education, training, and other

² nTIDE Jobs Report; Kessler Foundation and University of New Hampshire, 2015.

services that is aligned with the skill needs of industries in the State or regional economy and that enables individuals to attain a recognized postsecondary credential that will help them enter or advance within a specific occupation or occupational cluster. This definition also is included in the Definitions section of this notice.

One of the benefits of a career pathways approach is the integration of educational instruction, workforce development, and human and social services and supports that are linked to labor market trends and employer needs leading to stackable credentials.³ The career pathways approach has wide support among the Federal Departments of Labor, Education, and Health and Human Services (see <http://www2.ed.gov/about/offices/list/ovae/ten-attachment.pdf>). In addition to issuing joint guidance, these agencies developed technical assistance resources that promote the use of career pathways approaches. For example, under the "Designing Instruction for Career Pathways" initiative, the Department's Office of Career, Technical, and Adult Education made available resources to

³ The U.S. Department of Labor defines a "stackable credential" as one that is "part of a sequence of credentials that can be accumulated over time to build up an individual's qualifications and help them to move along a career pathway or up a career ladder to different and potentially higher-paying jobs." (U.S. Department of Labor Training and Employment Guidance Letter (TEGL) No. 15-10; <http://wdr.doleta.gov/directives/attach/TEGL15-10.pdf>)

help expand the creation of career pathways systems in States and local areas. The Department of Labor (DOL) developed a comprehensive set of technical assistance tools, including the "Career Pathways Framework and Toolkit" and the "Competency Model Clearinghouse." These materials can be found at DOL's Community of Practice Web site, at: learnwork.workforce3one.org.

The State Vocational Rehabilitation (VR) Services program is the primary Federal vehicle in the workforce development system for assisting individuals with disabilities, particularly individuals with the most significant disabilities, to prepare for, obtain, retain, or advance in competitive integrated employment. As required partners in the one-stop service delivery system established under WIOA for accessing employment and training services, State VR agencies must coordinate and collaborate with other entities, including employers, educational and non-educational agencies working with youth, and other agencies and programs providing services to individuals with disabilities. However, to increase the employment of individuals with disabilities, State VR agencies need employment approaches that are effective in

assisting individuals to attain knowledge and skills that can lead to employment in high-demand occupations.

Through this proposed priority, the Office of Special Education and Rehabilitative Services seeks to support collaborations between State VR agencies, secondary and postsecondary educational institutions, workforce centers and other training providers, human and social service agencies, employers, and other community stakeholders. These collaborations will demonstrate how career pathways can help individuals with disabilities served by State VR agencies to acquire the marketable skills and to attain recognized postsecondary credentials that lead to employment in high-demand occupations.

References:

U.S. Census Bureau (2012). Nearly 1 in 5 People Have a Disability in the U.S., Census Bureau Reports. News Release.

<https://www.census.gov/newsroom/releases/archives/miscellaneous/cb12-134.html>

U.S. Department of Labor, Bureau of Labor Statistics (2015). The Employment Situation, Economic News Release (3/6/15). <http://www.bls.gov/news.release/empsit.nr0.htm>

U.S. Department of Labor Training and Employment
Guidance Letter (TEGL) No. 15-10, Increasing Credential,
Degree, and Certificate Attainment by Participants of the
Public Workforce System.

Kessler Foundation and University of New Hampshire.
(2015). nTIDE Jobs Report: Rising Tide Continues to Raise
Workers with Disabilities, Monthly Update. (3/6/2015).
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archive1.com/?u=767afbe8bd6db50de03889b40&id=eb4a1ab921&e=e
235f2eadb](http://us2.campaign-archive1.com/?u=767afbe8bd6db50de03889b40&id=eb4a1ab921&e=e235f2eadb)

Proposed Priority:

The Assistant Secretary for Special Education and
Rehabilitative Services proposes a priority designed to
demonstrate promising practices in the use of career
pathways (as defined in this notice) in order to improve
employment outcomes for individuals with disabilities (as
defined in this notice). Specifically, the purpose of the
proposed priority is to establish a model demonstration
project designed to promote State vocational rehabilitation
(VR) agency partnerships in the development and use of
career pathways to help individuals with disabilities
eligible for VR services, including youth with disabilities
(as defined in this notice), to acquire marketable skills

and recognized postsecondary credentials (as defined in this notice).

Eligible Applicants: Under this proposed priority, an applicant must be either a State VR agency or a consortium of State VR agencies.

Project Requirements: Under this proposed priority, the model demonstration proposed by an applicant must, at a minimum--

(a) Develop and implement a collaborative model project demonstrating promising practices and strategies in the use of career pathways to improve the skills of individuals with disabilities, including youth with disabilities, and help them attain credentials that lead to employment in high-demand occupations. The model must be implemented at multiple sites to ensure its replicability. The career pathways must lead to one or more occupational clusters (as defined in this notice);

(b) Establish partnerships between the VR agencies, employers, agencies, and entities that are critical to the development of career pathways and the alignment of education, training, employment, and human and social services. At a minimum, the partnership should include representatives from the public educational agency or

agencies responsible for providing transition services to students with disabilities under the Individuals with Disabilities Education Act and representatives from two-year and four-year institutions of higher education, American Job Centers, workforce training providers (including apprenticeship providers), and employers who will work in collaboration to develop and provide postsecondary education and training for individuals with disabilities served under this project;

(c) Include the following career pathway components:

(1) Alignment of secondary and postsecondary education, training, employment, and human services with the skill needs of targeted industry sectors important to local, regional, or State economies;

(2) Rigorous, sequential, connected, and efficient curricula that connect basic education and skills training courses and that integrate education with training;

(3) Multiple entry and exit points for individuals with disabilities entering and exiting training;

(4) Comprehensive support services that are designed to ensure the individual's success in completing education and training programs:

(i) Financial supports, career counseling, child care, and transportation;

(ii) Educational supports (e.g., tutors, on-campus supports such as writing labs, math labs, and disability services);

(iii) Self-advocacy training (e.g., understanding how to request services and supports needed in the transition from secondary to post-secondary education and employment, and increasing knowledge of rights under disability laws); and

(iv) Appropriate assistive technology services and devices;

(5) Flexible design of education and training programs and services to meet the particular needs of individuals with disabilities, including flexible work schedules, alternative class times and locations, and the innovative use of technology;

(6) Education and training programs that focus on the attainment of secondary education and recognized postsecondary credentials, sector-specific employment, educational advancement over time and employment within a sector, including curriculum and instructional strategies designed to develop the following knowledge and skills:

- (i) Career exploration and career readiness skills;
 - (ii) Basic academic skills needed to demonstrate knowledge competencies in an occupation or occupational cluster, including remedial skills to address gaps in basic reading, writing, and math skills;
 - (iii) Career and technical skills leading to employment in technical careers, including employment in the skilled trades; and
 - (iv) Soft skills (e.g., understanding learning styles, identifying strengths and weaknesses);
- (d) Collaborate with other federally-funded career pathway initiatives conducting activities relevant to the work of its proposed project; and
- (e) Develop and conduct an evaluation of the project's performance in achieving project goals and objectives, including an evaluation of the effectiveness of the practices and strategies implemented by the project.

Application Requirements: To be considered for funding under this proposed priority, an applicant must meet the proposed application requirements in this proposed priority. The proposed application requirements are:

- (a) A detailed review of the literature that supports the potential effectiveness of the proposed model, its

components, and processes to improve outcomes for individuals with disabilities;

(b) A logic model that communicates how the demonstration project will achieve its outcomes and provides a framework for project evaluation. The logic model must depict, at a minimum, the goals, activities, outputs, and outcomes of the proposed model demonstration project;

(c) A description of the applicant's plan for implementing the project, including a description of--

(1) A cohesive, articulated model of partnership and coordination among the participating agencies and organizations;

(2) The coordinated set of promising practices and strategies in the use and development of career pathways that are aligned with employment, training, and education programs and reflect the needs of employers and individuals with disabilities; and

(3) How the proposed project will--

(i) Identify local workforce needs, aligned with the skill needs of targeted industry sectors important to local, regional, or State economies;

(ii) Involve employers in the project design and in partnering with project staff to develop integrated community settings for assessments, job shadowing, internships, apprenticeships, and other paid and unpaid work experiences that are designed to lead to competitive integrated employment for individuals with disabilities, including youth with disabilities;

(iii) Conduct outreach activities to identify individuals with disabilities for whom the career pathways approach would enable them to achieve competitive integrated employment in career clusters identified in their application; and

(iv) Develop strategies for involving families that will increase the likelihood for successful educational and employment outcomes for individuals with disabilities.

(d) The methods and criteria that will be used to select the sites at which the project activities will be implemented;

(e) Evidence (e.g., letter of support or draft agreement) that the State VR agency has specific agreements with its partners in the development and implementation of the project;

(f) A plan for evaluating the project's performance, including an evaluation of the effectiveness of the practices and strategies implemented by the project, in achieving project goals and objectives. Specifically, the evaluation plan must include a description of:

(1) project goals, measurable objectives, and operational definitions;

(2) the data to be collected;

(3) how the data will be analyzed; and

(4) the outcomes for individuals with disabilities served by the project compared with the outcomes of individuals with disabilities not receiving project services.

(g) At a minimum, the data collected must include:

(1) the relevant RSA-911 Case Service Report data for each project participant;

(2) the number of participants who enter a career pathway;

(3) the number of participants who complete training in a career pathway; and

(4) the number of participants who attain a recognized postsecondary credential and the type of credentials attained.

(h) A plan for systematic dissemination of project findings and knowledge gained that will assist State and local agencies in adapting or replicating the model career pathways developed and implemented by the project, which could include elements such as development of a Web site, community of practice, and participation in national and State conferences;

(i) An assurance that the employment goal for all individuals served under this priority will be competitive integrated employment, including customized or supported employment; and

(j) An assurance that the project will collaborate with other federally-funded career pathway initiatives conducting activities relevant to its work.

Types of Priorities:

When inviting applications for a competition using one or more priorities, we designate the type of each priority as absolute, competitive preference, or invitational through a notice in the Federal Register. The effect of each type of priority follows:

Absolute priority: Under an absolute priority, we consider only applications that meet the priority (34 CFR 75.105(c)(3)).

Competitive preference priority: Under a competitive preference priority, we give competitive preference to an application by (1) awarding additional points, depending on the extent to which the application meets the priority (34 CFR 75.105(c)(2)(i)); or (2) selecting an application that meets the priority over an application of comparable merit that does not meet the priority (34 CFR 75.105(c)(2)(ii)).

Invitational priority: Under an invitational priority, we are particularly interested in applications that meet the priority. However, we do not give an application that meets the priority a preference over other applications (34 CFR 75.105(c)(1)).

PROPOSED DEFINITIONS:

Background:

The following definitions are proposed to ensure that applicants have a clear understanding of how we are using these terms in the priority. These definitions are based on defined statutory terms in WIOA, the Rehabilitation Act and definitions that the Department uses or relies on in other contexts. Although we cannot make changes to the text of statutory definitions, we announce them along with our other proposed definitions below to provide notice of our intent to use them in the context of this program.

Proposed Definitions:

The Assistant Secretary proposes the following definitions for this program. We may apply one or more of these definitions in any year in which this program is in effect.

Career Pathway means a combination of rigorous and high-quality education, training, and other services that--

(a) Aligns with the skill needs of industries in the economy of the State or regional economy involved;

(b) Prepares an individual to be successful in any of a full range of secondary or postsecondary education options, including apprenticeships registered under the Act of August 16, 1937 (commonly known as the "National Apprenticeship Act"; 50 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.);

(c) Includes counseling to support an individual in achieving the individual's education and career goals;

(d) Includes, as appropriate, education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster;

(e) Organizes education, training, and other services to meet the particular needs of an individual in a manner

that accelerates the educational and career advancement of the individual to the extent practicable;

(f) Enables an individual to attain a secondary school diploma or its recognized equivalent, and at least one recognized postsecondary credential; and

(g) Helps an individual enter or advance within a specific occupation or occupational cluster.

Source: Section 3(7) of WIOA.

Competitive integrated employment means work that is performed on a full-time or part-time basis (including self-employment)--

(a) For which an individual--

(1) Is compensated at a rate that--

(i) (A) Shall be not less than the higher of the rate specified in section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) or the rate specified in the applicable State or local minimum wage law; and

(B) Is not less than the customary rate paid by the employer for the same or similar work performed by other employees who are not individuals with disabilities, and who are similarly situated in similar occupations by the same employer and who have similar training, experience, and skills; or

(ii) In the case of an individual who is self-employed, yields an income that is comparable to the income received by other individuals who are not individuals with disabilities, and who are self-employed in similar occupations or on similar tasks and who have similar training, experience, and skills; and

(2) Is eligible for the level of benefits provided to other employees;

(b) That is at a location where the employee interacts with other persons who are not individuals with disabilities (not including supervisory personnel or individuals who are providing services to such employee) to the same extent that individuals who are not individuals with disabilities and who are in comparable positions interact with other persons; and

(c) That, as appropriate, presents opportunities for advancement that are similar to those for other employees who are not individuals with disabilities and who have similar positions. Source: Section 7(5) of the Rehabilitation Act.

Individual with a disability means any individual who--

(a) Has a physical or mental impairment which for such individual constitutes or results in a substantial impediment to employment; and

(b) Can benefit in terms of an employment outcome from vocational rehabilitation services provided pursuant to Title I, III, or VI of the Rehabilitation Act. Source: Section 7(20) of the Rehabilitation Act.

Occupational cluster means a group of occupations and broad industries based on common knowledge and skills, job requirements or worker characteristics. Source: Adopted from Career Pathways Toolkit, DOL.

Recognized postsecondary credential means a credential consisting of an industry-recognized certificate or certification, a certificate of completion of an apprenticeship, a license recognized by the State involved or Federal Government, or an associate or baccalaureate degree. Source: Section 3(52) of WIOA.

Youth with a disability means an individual with a disability who--

(a) Is not younger than 14 years of age; and

(b) Is not older than 24 years of age.

Source: Section 7(42) of the Rehabilitation Act.

Final Priority:

We will announce the final priority and definitions in a notice in the Federal Register. We will determine the final priority and definitions after considering responses to this notice and other information available to the Department. This notice does not preclude us from proposing additional priorities, requirements, definitions, or selection criteria, subject to meeting applicable rulemaking requirements.

Note: This notice does not solicit applications. In any year in which we choose to use one or more of this priority and these proposed definitions, we invite applications through a notice in the Federal Register.

Executive Orders 12866 and 13563

Regulatory Impact Analysis

Under Executive Order 12866, the Secretary must determine whether this regulatory action is "significant" and, therefore, subject to the requirements of the Executive order and subject to review by the Office of Management and Budget (OMB). Section 3(f) of Executive Order 12866 defines a "significant regulatory action" as an action likely to result in a rule that may--

(1) Have an annual effect on the economy of \$100 million or more, or adversely affect a sector of the

economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities in a material way (also referred to as an "economically significant" rule);

(2) Create serious inconsistency or otherwise interfere with an action taken or planned by another agency;

(3) Materially alter the budgetary impacts of entitlement grants, user fees, or loan programs or the rights and obligations of recipients thereof; or

(4) Raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles stated in the Executive Order.

This proposed regulatory action is not a significant regulatory action subject to review by OMB under section 3(f) of Executive Order 12866.

We have also reviewed this proposed regulatory action under Executive Order 13563, which supplements and explicitly reaffirms the principles, structures, and definitions governing regulatory review established in Executive Order 12866. To the extent permitted by law, Executive Order 13563 requires that an agency--

(1) Propose or adopt regulations only upon a reasoned determination that their benefits justify their costs (recognizing that some benefits and costs are difficult to quantify);

(2) Tailor its regulations to impose the least burden on society, consistent with obtaining regulatory objectives and taking into account--among other things and to the extent practicable--the costs of cumulative regulations;

(3) In choosing among alternative regulatory approaches, select those approaches that maximize net benefits (including potential economic, environmental, public health and safety, and other advantages; distributive impacts; and equity);

(4) To the extent feasible, specify performance objectives, rather than the behavior or manner of compliance a regulated entity must adopt; and

(5) Identify and assess available alternatives to direct regulation, including economic incentives--such as user fees or marketable permits--to encourage the desired behavior, or provide information that enables the public to make choices.

Executive Order 13563 also requires an agency "to use the best available techniques to quantify anticipated

present and future benefits and costs as accurately as possible." The Office of Information and Regulatory Affairs of OMB has emphasized that these techniques may include "identifying changing future compliance costs that might result from technological innovation or anticipated behavioral changes."

We are issuing this proposed priority and these proposed definitions only on a reasoned determination that their benefits would justify their costs. In choosing among alternative regulatory approaches, we selected those approaches that would maximize net benefits. Based on the analysis that follows, the Department believes that this regulatory action is consistent with the principles in Executive Order 13563.

We also have determined that this regulatory action would not unduly interfere with State, local, and tribal governments in the exercise of their governmental functions.

In accordance with both Executive orders, the Department has assessed the potential costs and benefits, both quantitative and qualitative, of this regulatory action. The potential costs are those resulting from statutory requirements and those we have determined as

necessary for administering the Department's programs and activities.

The benefits of the Demonstration and Training program have been well established over the years through the successful completion of similar projects. For example, the projects first funded in FY 2007 to demonstrate collaborative practices that lead to postsecondary education and employment of youth with disabilities have served as a rich source of practices for the VR field. This proposed priority and these proposed definitions would promote projects that would serve as models in developing and implementing career pathways for individuals with disabilities that could be replicated by other State VR agencies so that such agencies could improve employment outcomes for individuals with disabilities.

Intergovernmental Review: This program is subject to Executive Order 12372 and the regulations in 34 CFR part 79. One of the objectives of the Executive order is to foster an intergovernmental partnership and a strengthened federalism. The Executive order relies on processes developed by State and local governments for coordination and review of proposed Federal financial assistance.

This document provides early notification of our specific plans and actions for this program.

Accessible Format: Individuals with disabilities can obtain this document in an accessible format (e.g., braille, large print, audiotape, or compact disc) on request to the program contact person listed under FOR FURTHER INFORMATION CONTACT.

Electronic Access to This Document: The official version of this document is the document published in the Federal Register. Free Internet access to the official edition of the Federal Register and the Code of Federal Regulations is available via the Federal Digital System at: www.gpo.gov/fdsys. At this site you can view this document, as well as all other documents of this Department published in the Federal Register, in text or Adobe Portable Document Format (PDF). To use PDF you must have Adobe Acrobat Reader, which is available free at the site.

You may also access documents of the Department published in the Federal Register by using the article search feature at: www.federalregister.gov. Specifically, through the advanced search feature at this site, you can limit your search to documents published by the Department.

Dated: May 12, 2015

Sue Swenson,
Acting Assistant Secretary
for Special Education and
Rehabilitative Services.

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